# 2004 Navy Presentation

Date: 03/01/2004

Bank of America Higher Standards

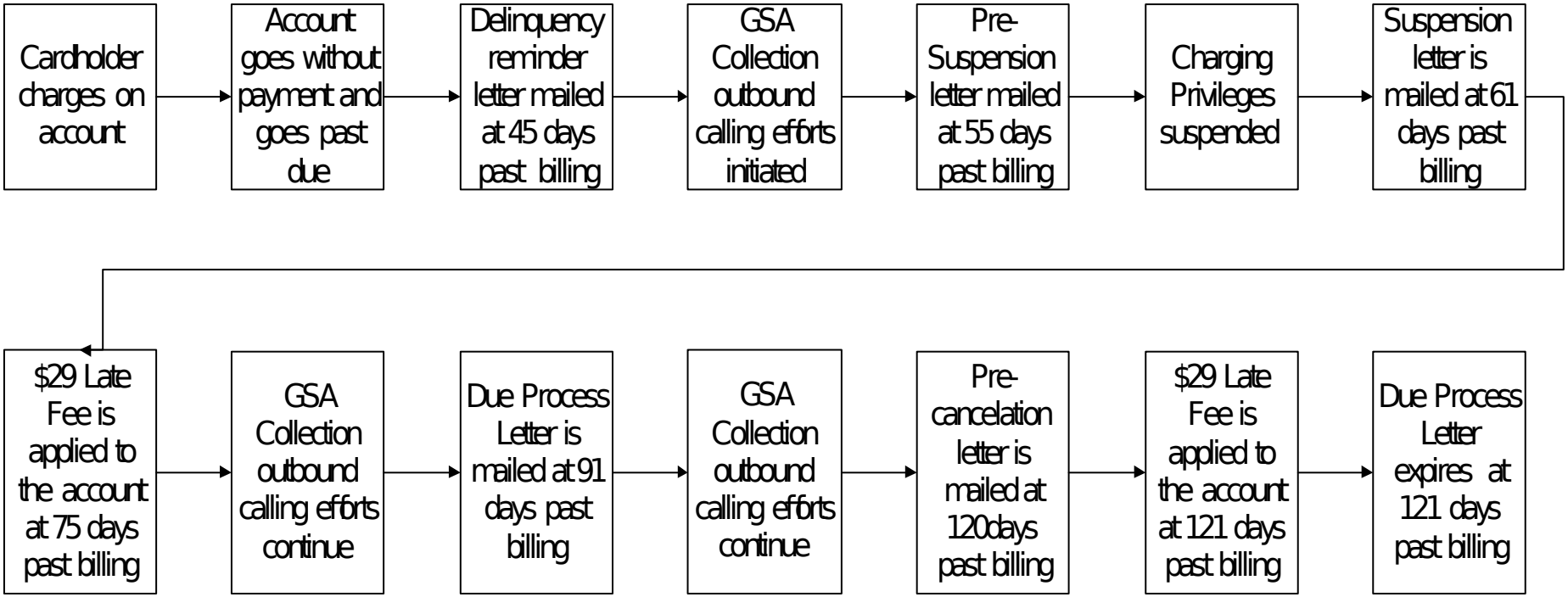
# *Overview*

- Collection Workflows
- Salary Offset
- Reduce Payment Program (RPP)
- Mission Critical
- NSF
- Aging Analysis
- MyEasyPayment.com



Bank of America Higher Standards

# Government Account Life-Cycle


Cardholder charges on account
Account goes without payment and goes past due
Delinquency reminder letter mailed at 45 days past billing
GSA Collection outbound calling efforts initiated
Pre-Suspension letter mailed at 55 days past billing
Charging Privileges suspended
Suspension letter is mailed at 61 days past billing
$29 Late Fee is applied to the account at 75 days past billing
GSA Collection outbound calling efforts continue
Due Process Letter is mailed at 91 days past billing
GSA Collection outbound calling efforts continue
Pre-cancelation letter is mailed at 120days past billing
$29 Late Fee is applied to the account at 121 days past billing
Due Process Letter expires at 121 days past billing



Bank of America Higher Standards

# Salary Offset Flow ( Eligible)

1- Account is submitted to DFAS for eligibility.
2- Account is coded as Offset upon DFAS approval.
3- Appropriate fees are added.
4- Account is removed from collection activities.
5- Three payments have posted.
6- Account brought to current status.
7- Account removed from the delinquency report.
8**- $80.00 Eligible Fee, + 3 x $29.00 Late Fees = $167.00 Total**



Bank of America Higher Standards

# Salary Offset ( Not Eligible)

1- DFAS identified account as not eligible.
2- Collection fees applied.
3- Collection effort continues.
4- Account continues to roll past due.
5- Account is charged off.
6- Account removed from the delinquency report.
7- $85.00 Not Eligible Fee.



Bank of America Higher Standards

# Salary Offset (Future Eligibility)

1- DFAS identifies account as Future Salary Offset.
2- Account is noted accordingly.
3- Collection effort continues.
4- Account is resubmitted monthly for 3 consecutive
months for eligibility.
5- If not approved by 4th submission, account to be charged
off.


Bank of America Higher Standards

# Credit Balance Refund (CBR)

1- When the CH requests a CBR, we have 10 days to process the request.

2- We will hold the request for 10 days if it was a personal unverified funds payment.

3- If the CH does not request the CBR after the fourth billing cycle (120 Days) the system will automatically generate the refund.



Bank of America Higher Standards

# 2002 & 2003 Navy Vs DoD Salary Offset

| 2002 DoD Salary Offset Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| Enrolled | 22,825 | $ 23,455,186.76 |
| Future | 2,542 | $ 3,023,456.55 |
| Not Enrolled | 691 | $ 678,770.46 |
| Total | 26,058 | $ 27,157,413.77 |

| 2003 DoD Salary Offset YTD Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| Enrolled | 8,801 | $ 10,196,891.10 |
| Future | 559 | $ 615,750.35 |
| Not Enrolled | 349 | $ 420,584.74 |
| Total | 9,709 | $ 11,233,226.19 |

| 2002 Navy Salary Offset Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| Enrolled | 4,820 | $ 5,352,226.85 |
| Future | 379 | $ 530,237.05 |
| Not Enrolled | 178 | $ 153,559.64 |
| Total | 5,377 | $ 6,036,023.54 |

| 2003 Navy Salary Offset YTD Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| Enrolled | 1,672 | $ 1,879,854.06 |
| Future | 105 | $ 148,875.67 |
| Not Enrolled | 92 | $ 130,702.37 |
| Total | 1,869 | $ 2,159,432.10 |

| 2002 DoD Vs Navy Summary | | |
|---|---|---|
| | Volume Percent | Dollar Percent |
| Enrolled | 21% | 23% |
| Future | 15% | 18% |
| Not Enrolled | 26% | 23% |
| Total | 21% | 22% |

| 2003 DoD Vs Navy YTD Summary | | |
|---|---|---|
| | Volume Percent | Dollar Percent |
| Enrolled | 19% | 18% |
| Future | 19% | 24% |
| Not Enrolled | 26% | 31% |
| Total | 19% | 19% |



Bank of America Higher Standards

# 2002 & 2003 Marines Vs DoD Salary Offset

| 2002 DoD Salary Offset Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| Enrolled | 22,825 | $ 23,455,186.76 |
| Future | 2,542 | $ 3,023,456.55 |
| Not Enrolled | 691 | $ 678,770.46 |
| Total | 26,058 | $ 27,157,413.77 |

| 2003 DoD Salary Offset YTD Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| Enrolled | 8,801 | $ 10,196,891.10 |
| Future | 559 | $ 615,750.35 |
| Not Enrolled | 349 | $ 420,584.74 |
| Total | 9,709 | $ 11,233,226.19 |

| 2002 Marines Salary Offset Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| Enrolled | 1,605 | $ 1,612,933.74 |
| Future | 42 | $ 36,507.47 |
| Not Enrolled | 42 | $ 43,023.44 |
| Total | 1,689 | $ 1,692,464.65 |

| 2003 Marines Salary Offset YTD Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| Enrolled | 795 | $ 838,779.33 |
| Future | 28 | $ 28,048.54 |
| Not Enrolled | 20 | $ 18,584.28 |
| Total | 843 | $ 885,412.15 |

| 2002 DoD Vs Marines Summary | | |
|---|---|---|
| | Volume Percent | Dollar Percent |
| Enrolled | 7% | 7% |
| Future | 2% | 1% |
| Not Enrolled | 6% | 6% |
| Total | 6% | 6% |

| 2003 DoD Vs Marines YTD Summary | | |
|---|---|---|
| | Volume Percent | Dollar Percent |
| Enrolled | 9% | 8% |
| Future | 5% | 5% |
| Not Enrolled | 6% | 4% |
| Total | 9% | 8% |



Bank of America Higher Standards

# Reduced Payment Plan (RPP)

1- Account must be greater than 61 day past billing.
2- RPP request is submitted to Bank of America Management for approval.
3- Cardholder must sign RPP agreement.
4- Cardholder must agree to urgent payment method.
5- Set up fee is applied to account.
6- Account remain in collection until 3 consecutive payments have posted.
7- Account brought to a current status.
8- Monthly maintenance fee is assessed to account.
9- Account removed from the delinquency report.
10- Upon defaulting, the account is submitted for


Bank of America Higher Standards

# 2003 Navy Vs DoD Reduced Payment Program (RPP)

| DoD RPP Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| April | 724 | $ 958,352.05 |
| May | 744 | $ 923,829.01 |
| June | 615 | $ 801,231.86 |
| July | 535 | $ 712,305.77 |
| Aug | 529 | $ 669,018.71 |
| Sept | 797 | $ 1,200,612.54 |
| Oct | 534 | $ 831,685.71 |
| Total | 3,944 | $ 5,265,349.94 |

| Navy RPP Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| April | 136 | $ 178,372.88 |
| May | 143 | $ 176,262.96 |
| June | 135 | $ 173,827.05 |
| July | 137 | $ 170,584.15 |
| Aug | 128 | $ 160,931.79 |
| Sept | 175 | $ 239,642.51 |
| Oct | 103 | $ 159,689.14 |
| Total | 854 | $ 1,099,621.34 |

| DoD Vs Navy RPP Inventory Summary | | |
|---|---|---|
| | Volume Percent | Dollar Percent |
| April | 19% | 19% |
| May | 19% | 19% |
| June | 22% | 22% |
| July | 26% | 24% |
| Aug | 24% | 24% |
| Sept | 22% | 20% |
| Oct | 19% | 19% |
| Total | 22% | 21% |

| DoD RPP Completes/Drops | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| April | 82 | $ 101,278.10 |
| May | 652 | $ 781,250.87 |
| June | 81 | $ 70,670.28 |
| July | 115 | $ 100,544.00 |
| Aug | 73 | $ 82,737.38 |
| Sept | 276 | $ 329,288.56 |
| Oct | 44 | $ 56,519.67 |
| Total | 1,279 | $ 1,465,769.19 |

| Navy RPP Completes/Drops | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| April | 16 | $ 15,274.67 |
| May | 125 | $ 150,948.32 |
| June | 15 | $ 16,772.55 |
| July | 31 | $ 27,858.19 |
| Aug | 19 | $ 23,698.13 |
| Sept | 74 | $ 83,967.14 |
| Oct | 9 | $ 13,119.35 |
| Total | 280 | $ 318,519.00 |

| DoD Vs Navy RPP Summary | | |
|---|---|---|
| | Volume Percent | Dollar Percent |
| April | 20% | 15% |
| May | 19% | 19% |
| June | 19% | 24% |
| July | 27% | 28% |
| Aug | 26% | 29% |
| Sept | 27% | 25% |
| Oct | 20% | 23% |
| Total | 22% | 22% |



Bank of America Higher Standards

# 2003 Marines Vs DoD Reduced Payment Program (RPP)

| DoD RPP Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| April | 724 | $ 958,352.05 |
| May | 745 | $ 923,898.12 |
| June | 615 | $ 801,231.86 |
| July | 535 | $ 712,305.77 |
| Aug | 529 | $ 669,018.71 |
| Sept | 797 | $ 1,200,612.54 |
| Oct | 534 | $ 831,685.71 |
| Total | 4,479 | $ 6,097,104.76 |

| Marines RPP Inventory | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| April | 45 | $ 57,976.86 |
| May | 48 | $ 62,366.06 |
| June | 44 | $ 49,585.81 |
| July | 45 | $ 54,255.88 |
| Aug | 43 | $ 50,078.03 |
| Sept | 62 | $ 85,367.84 |
| Oct | 39 | $ 55,696.22 |
| Total | 326 | $ 415,326.70 |

| DoD Vs Marines RPP Inventory Summary | | |
|---|---|---|
| | Volume Percent | Dollar Percent |
| April | 6% | 6% |
| May | 6% | 7% |
| June | 7% | 6% |
| July | 8% | 8% |
| Aug | 8% | 7% |
| Sept | 8% | 7% |
| Oct | 7% | 7% |
| Total | 7% | 7% |

| DoD RPP Completes/Drops | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| April | 82 | $ 101,278.10 |
| May | 652 | $ 781,250.87 |
| June | 81 | $ 70,670.28 |
| July | 115 | $ 100,544.00 |
| Aug | 73 | $ 82,737.38 |
| Sept | 276 | $ 329,288.56 |
| Oct | 44 | $ 56,519.67 |
| Total | 1,323 | $ 1,522,288.86 |

| Marines RPP Completes/Drops | | |
|---|---|---|
| | Account Volume | Dollar Volume |
| April | 3 | $ 2,076.69 |
| May | 45 | $ 59,488.97 |
| June | 5 | $ 1,106.45 |
| July | 8 | $ 7,767.84 |
| Aug | 3 | $ 2,305.37 |
| Sept | 17 | $ 20,456.50 |
| Oct | 2 | $ 2,098.57 |
| Total | 83 | $ 95,300.39 |

| DoD Vs Marines RPP Summary | | |
|---|---|---|
| | Volume Percent | Dollar Percent |
| April | 4% | 2% |
| May | 7% | 8% |
| June | 6% | 2% |
| July | 7% | 8% |
| Aug | 4% | 3% |
| Sept | 6% | 6% |
| Oct | 5% | 4% |
| Total | 6% | 6% |



Bank of America Higher Standards

# Mission Critical ( Eligible)

1- Account should not be more than 60 days past billing (Suspended).

**Exceptions to the 60 days timeframe may be made with approval from HL3 A/OPC.**

2- A/OPC must submit request.

3- Account number must be provided.

4- A/OPC verification is required.

5- Account information must be up to date.

6- Mission period should not exceed 60 days (+45 vouchers)

**Exceptions to 60 days timeframe may be made with approval from HL3 A/OPC.**



Bank of America Higher Standards

# Mission Critical ( Not Eligible)

1- Account is greater than 30 days past due.
2- Account is closed.
3- Account is in a fraud status.
4- Account is over the credit limit.
5- Account has returned mail.
6- Account is deactivated.
7- A/OPC unable to verify the Hierarchy or the CBA
number.



Bank of America Higher Standards

# NSF Activities

1- Account is queued for a special Audit.
2- NSF fee is applied.
3- The original delinquency level is placed back on the
account.
4- Historical activity audit.
5- A/OPC is notified when necessary.
6- Account is revoked when necessary.
7- Collection activity start/continue.



Bank of America Higher Standards

# Accounts Included on Aging Analysis Report

- All accounts with outstanding balances
  1. Salary Offset
  2. Reduced Payment Program (RPP)
  3. Mission Critical
  4. Pending fraudulent charges
  5. Disputed charges
  6. Past due accounts (5-210 days delinquent)
  7. Deceased
  8. Bankruptcy



Bank of America Higher Standards

# Suggested Ways to Improve

- Regular monitoring
- Cardholder pays timely
- Filing vouchers in advance
- Contact cardholder upon reaching 30 day delinquency
- Suggesting alternative payment programs
- Split disbursement
- Closing retired/separated accounts
- Deactivation of non-active cardholders
- Communicate to Bank of America upon closure of Government Travel Card
- Contact Bank of America with any outstanding issues



Bank of America Higher Standards

# Reason’s for Account Removal

- Paid in full
- Dispute resolved
- Fraudulent balance resolved
- Account charges off
  1. Bad debt
  2. Deceased
  3. Bankruptcy
  4. Fraud
- Delinquency behavior
  1. Paying down
  2. Re-aging/Down aging
     1. RPP
     2. Salary offset
     3. Bank error

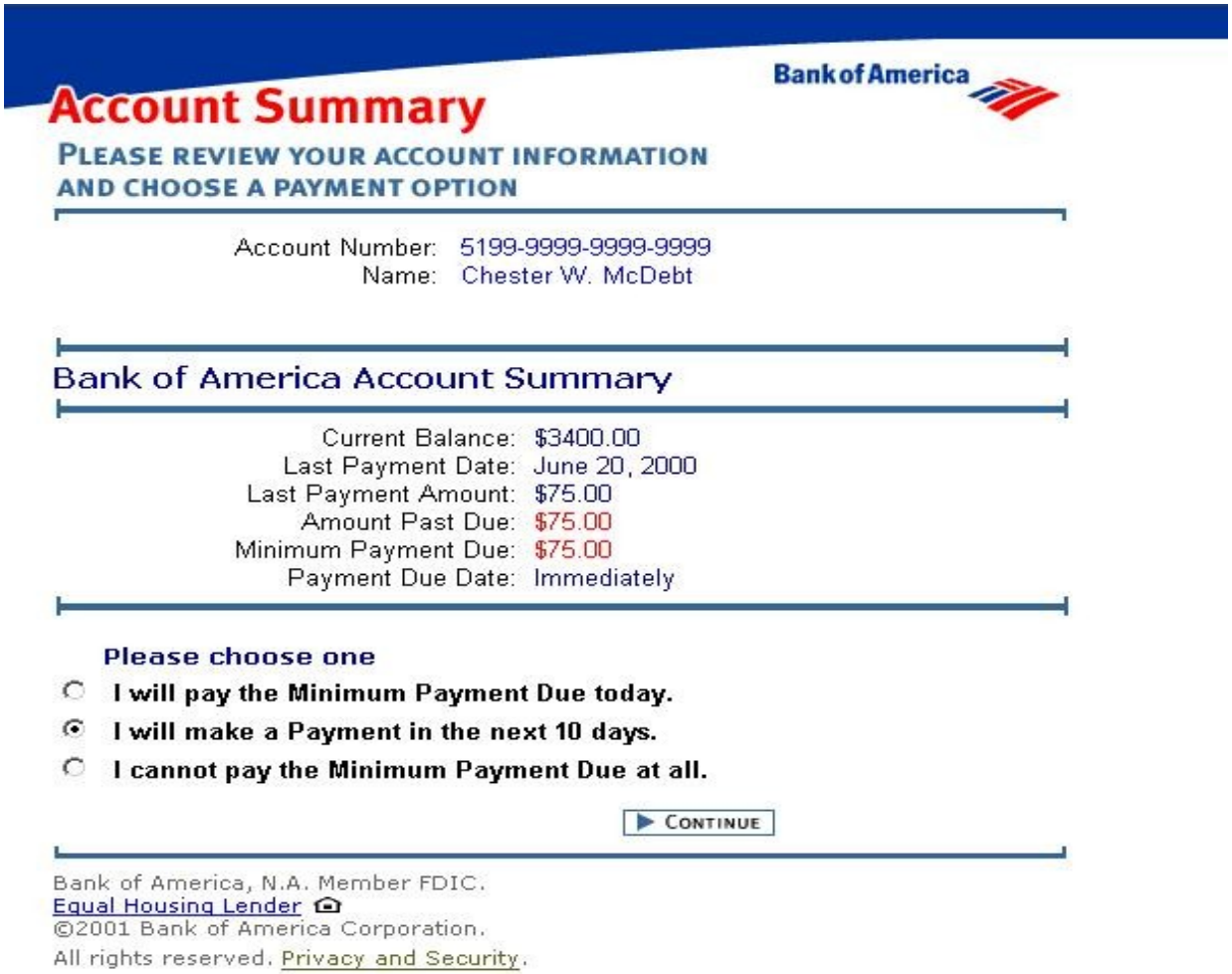


Bank of America Higher Standards

# MyEasyPayment.com HomePage

Bank of America
Welcome
PLEASE ENTER YOUR ACCOUNT NUMBER AND THE LAST THREE DIGITS FROM THE NUMBER ON THE BACK OF YOUR CARD
Your Account Number:
Security Code:
Enter the last three digits from the number on the back of your card.
CONTINUE
This is a secure site. All of your information is secure and confidential.
Bank of America, N.A. Member FDIC.
Equal Housing Lender
©2001 Bank of America Corporation.
All rights reserved. Privacy and Security.
VeriSign Secure Site
Click to verify

# Account Summary



Bank of America

## Account Summary

PLEASE REVIEW YOUR ACCOUNT INFORMATION
AND CHOOSE A PAYMENT OPTION

Account Number: 5199-9999-9999-9999
Name: Chester W. McDebt

### Bank of America Account Summary

| | |
|---|---|
| Current Balance: | $3400.00 |
| Last Payment Date: | June 20, 2000 |
| Last Payment Amount: | $75.00 |
| Amount Past Due: | $75.00 |
| Minimum Payment Due: | $75.00 |
| Payment Due Date: | Immediately |

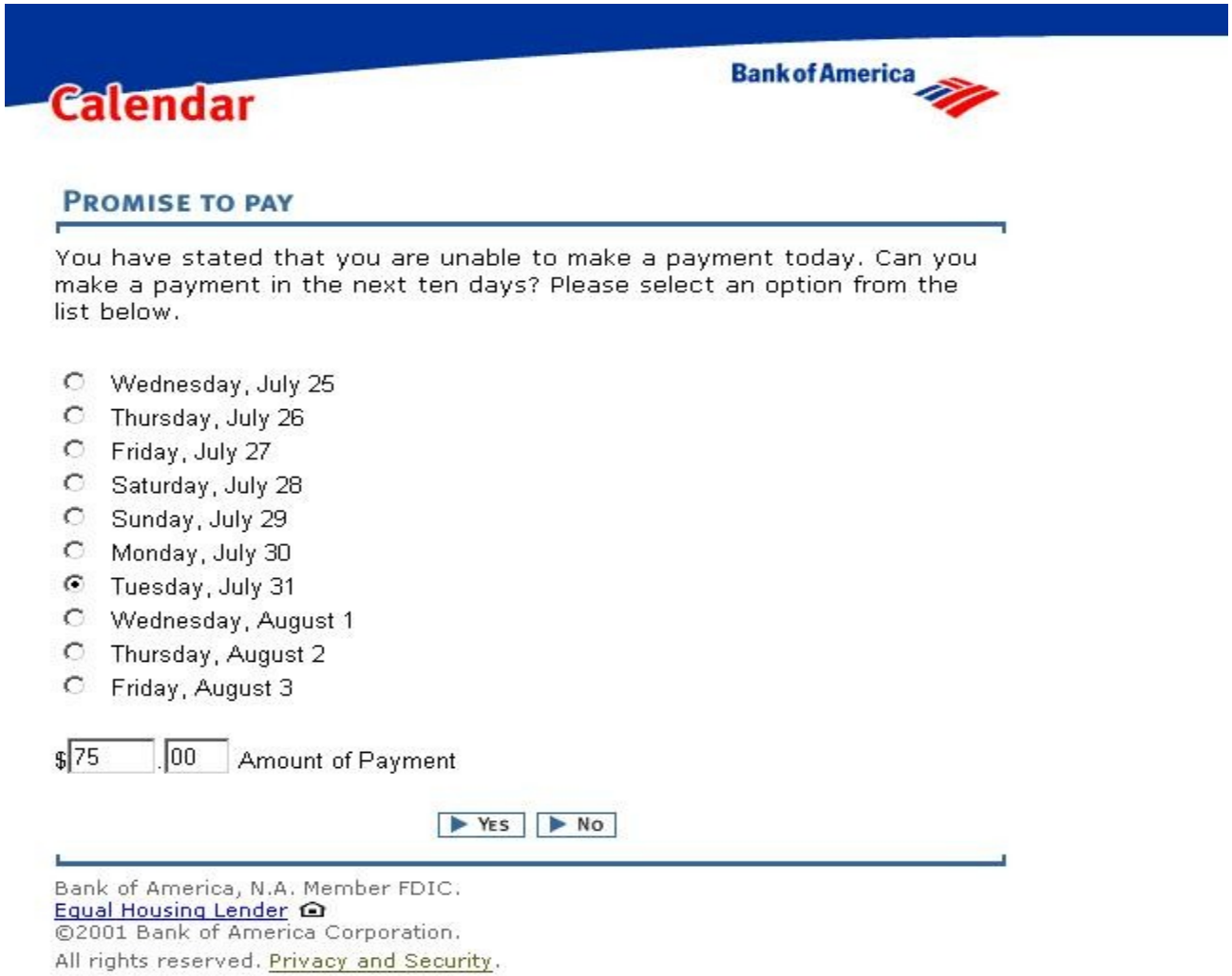
**Please choose one**

- ○ **I will pay the Minimum Payment Due today.**
- ◉ **I will make a Payment in the next 10 days.**
- ○ **I cannot pay the Minimum Payment Due at all.**

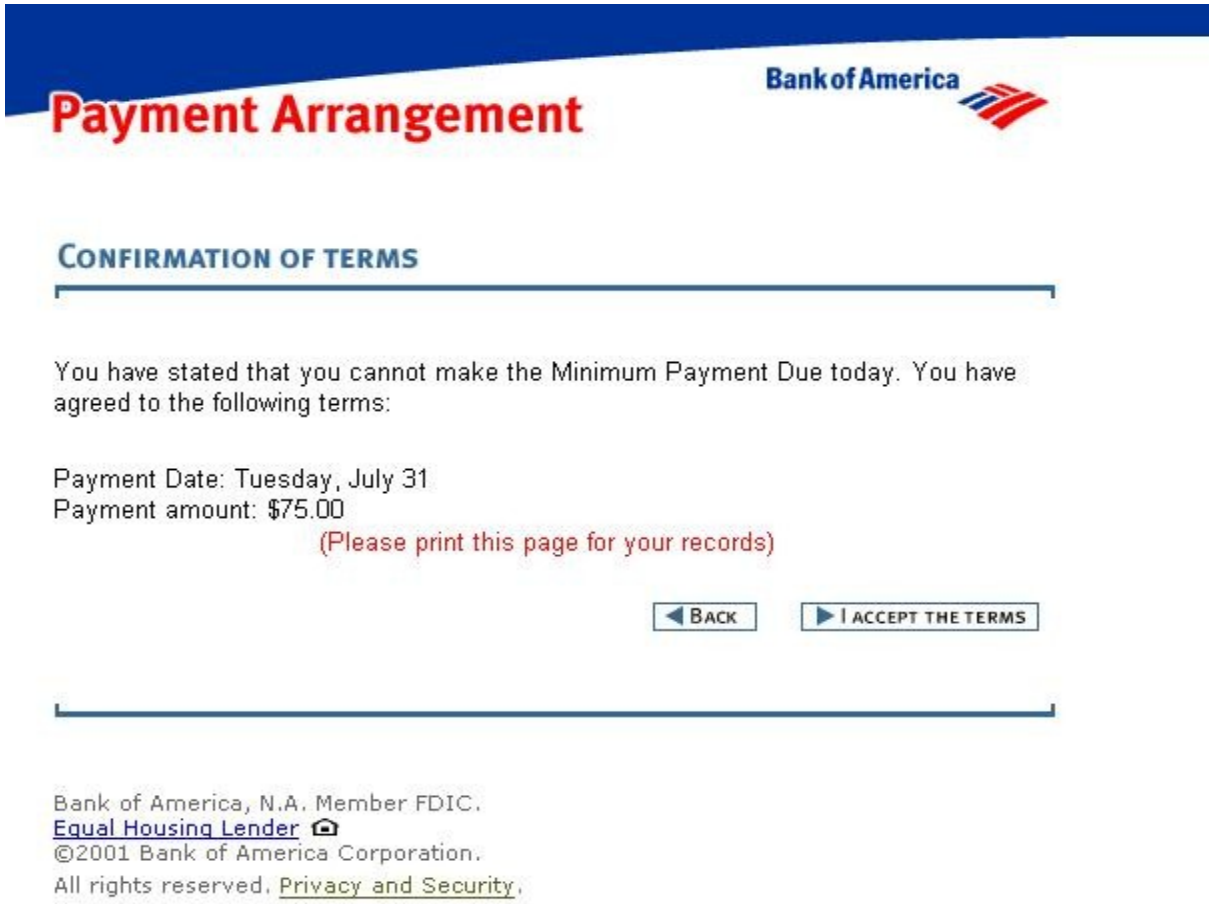
CONTINUE

Bank of America, N.A. Member FDIC.
Equal Housing Lender
©2001 Bank of America Corporation.
All rights reserved. Privacy and Security.

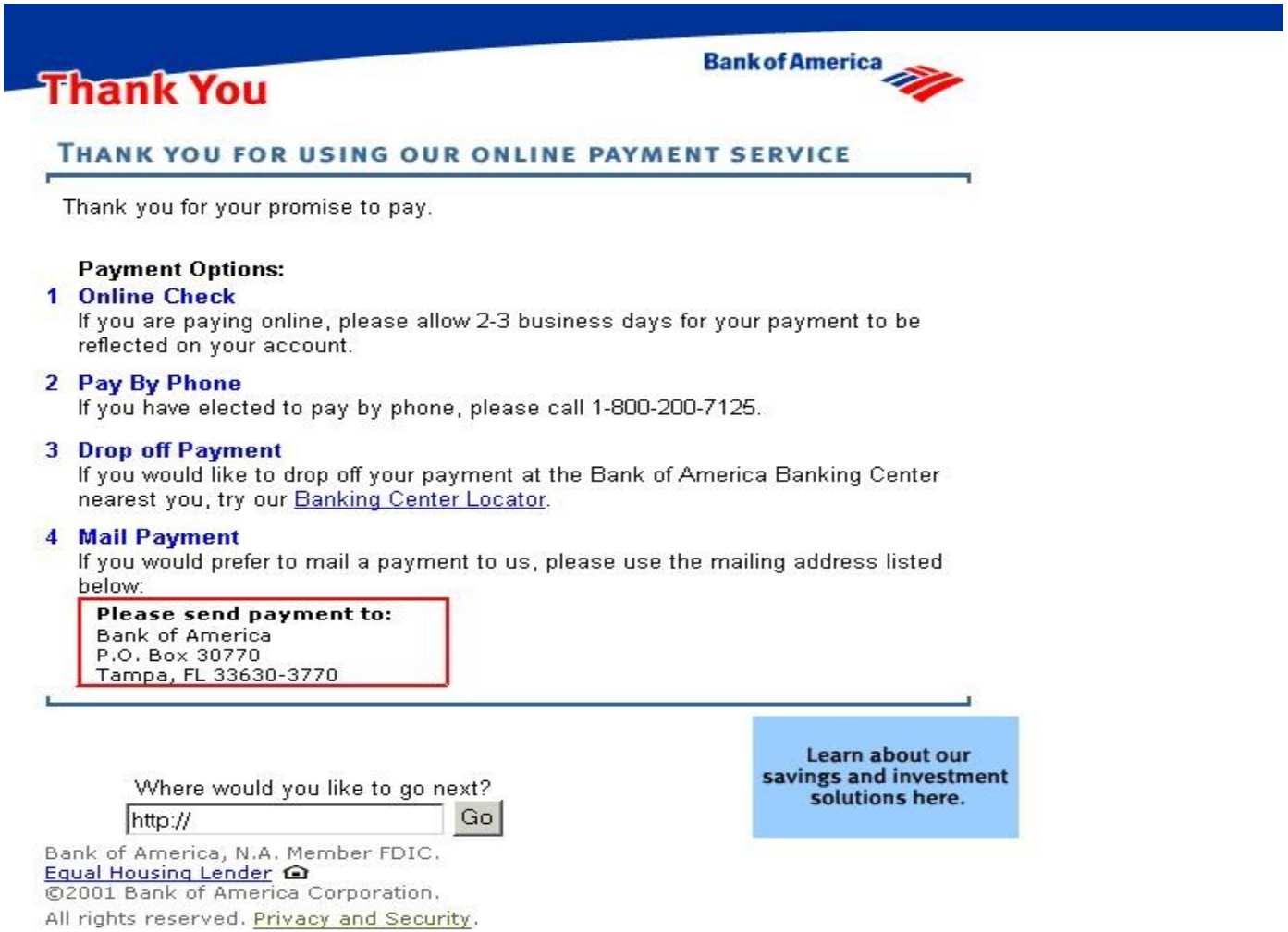
# Promise To Pay Calendar


Calendar
Bank of America
PROMISE TO PAY
You have stated that you are unable to make a payment today. Can you make a payment in the next ten days? Please select an option from the list below.
Wednesday, July 25
Thursday, July 26
Friday, July 27
Saturday, July 28
Sunday, July 29
Monday, July 30
Tuesday, July 31
Wednesday, August 1
Thursday, August 2
Friday, August 3
$ 75 . 00 Amount of Payment
Yes
No
Bank of America, N.A. Member FDIC.
Equal Housing Lender
©2001 Bank of America Corporation.
All rights reserved. Privacy and Security.

# Promise To Pay Agreement


Payment Arrangement
Bank of America
CONFIRMATION OF TERMS
You have stated that you cannot make the Minimum Payment Due today. You have agreed to the following terms:
Payment Date: Tuesday, July 31
Payment amount: $75.00
(Please print this page for your records)
BACK
I ACCEPT THE TERMS
Bank of America, N.A. Member FDIC.
Equal Housing Lender
©2001 Bank of America Corporation.
All rights reserved. Privacy and Security.

# Promise To Pay Confirmation



Thank You

Bank of America

THANK YOU FOR USING OUR ONLINE PAYMENT SERVICE

Thank you for your promise to pay.

**Payment Options:**

1 **Online Check**
If you are paying online, please allow 2-3 business days for your payment to be reflected on your account.

2 **Pay By Phone**
If you have elected to pay by phone, please call 1-800-200-7125.

3 **Drop off Payment**
If you would like to drop off your payment at the Bank of America Banking Center nearest you, try our Banking Center Locator.

4 **Mail Payment**
If you would prefer to mail a payment to us, please use the mailing address listed below:

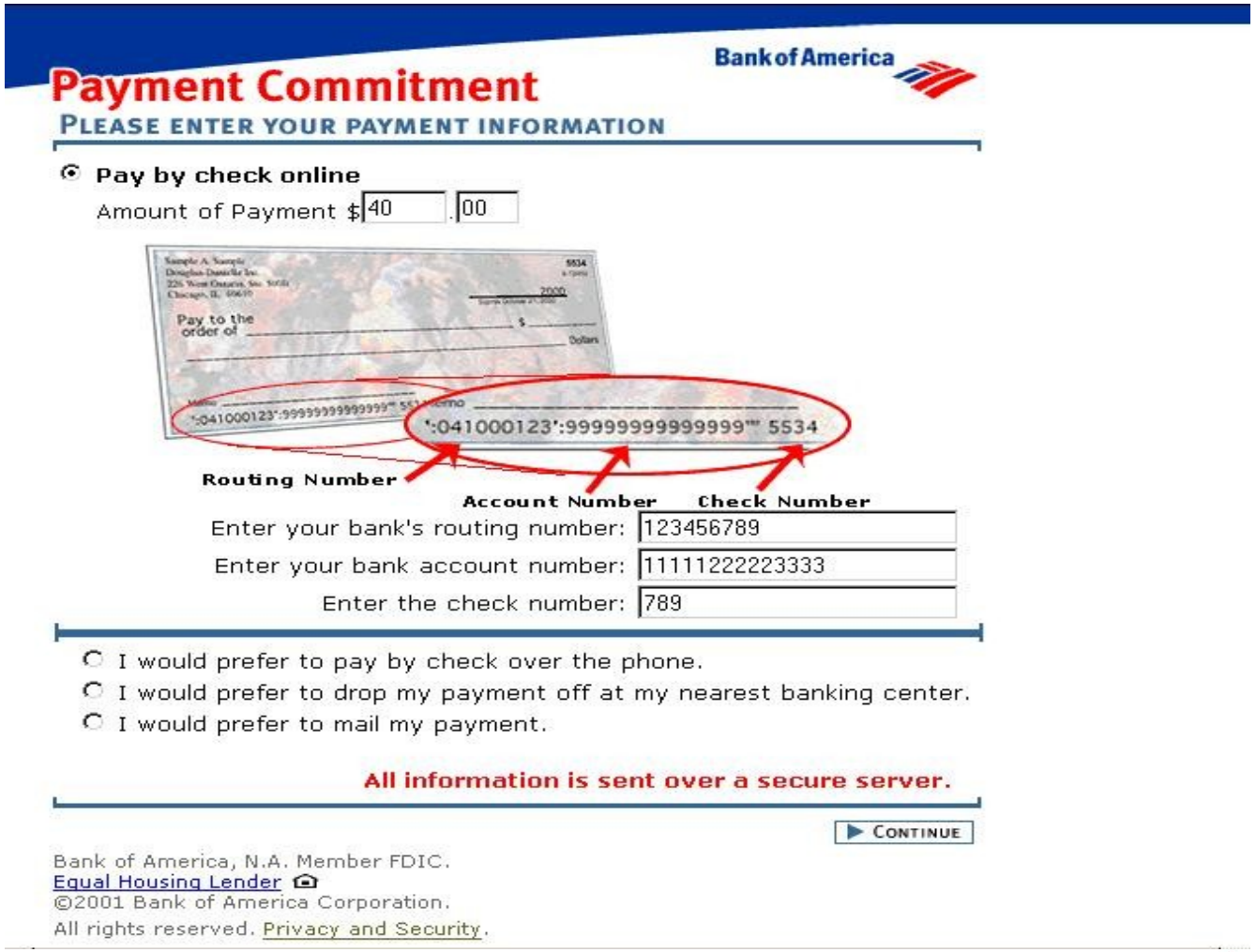
**Please send payment to:**
Bank of America
P.O. Box 30770
Tampa, FL 33630-3770

Learn about our savings and investment solutions here.

Where would you like to go next?
http://
Go

Bank of America, N.A. Member FDIC.
Equal Housing Lender
©2001 Bank of America Corporation.
All rights reserved. Privacy and Security.

# Online Payment


Bank of America
Payment Commitment
PLEASE ENTER YOUR PAYMENT INFORMATION
Pay by check online
Amount of Payment $ 40 .00
Pay to the order of
Dollars
':041000123':99999999999999'' 5534
Routing Number
Account Number
Check Number
Enter your bank's routing number: 123456789
Enter your bank account number: 11111222223333
Enter the check number: 789
I would prefer to pay by check over the phone.
I would prefer to drop my payment off at my nearest banking center.
I would prefer to mail my payment.
All information is sent over a secure server.
CONTINUE
Bank of America, N.A. Member FDIC.
Equal Housing Lender
©2001 Bank of America Corporation.
All rights reserved. Privacy and Security.

Bank of America
Higher Standards